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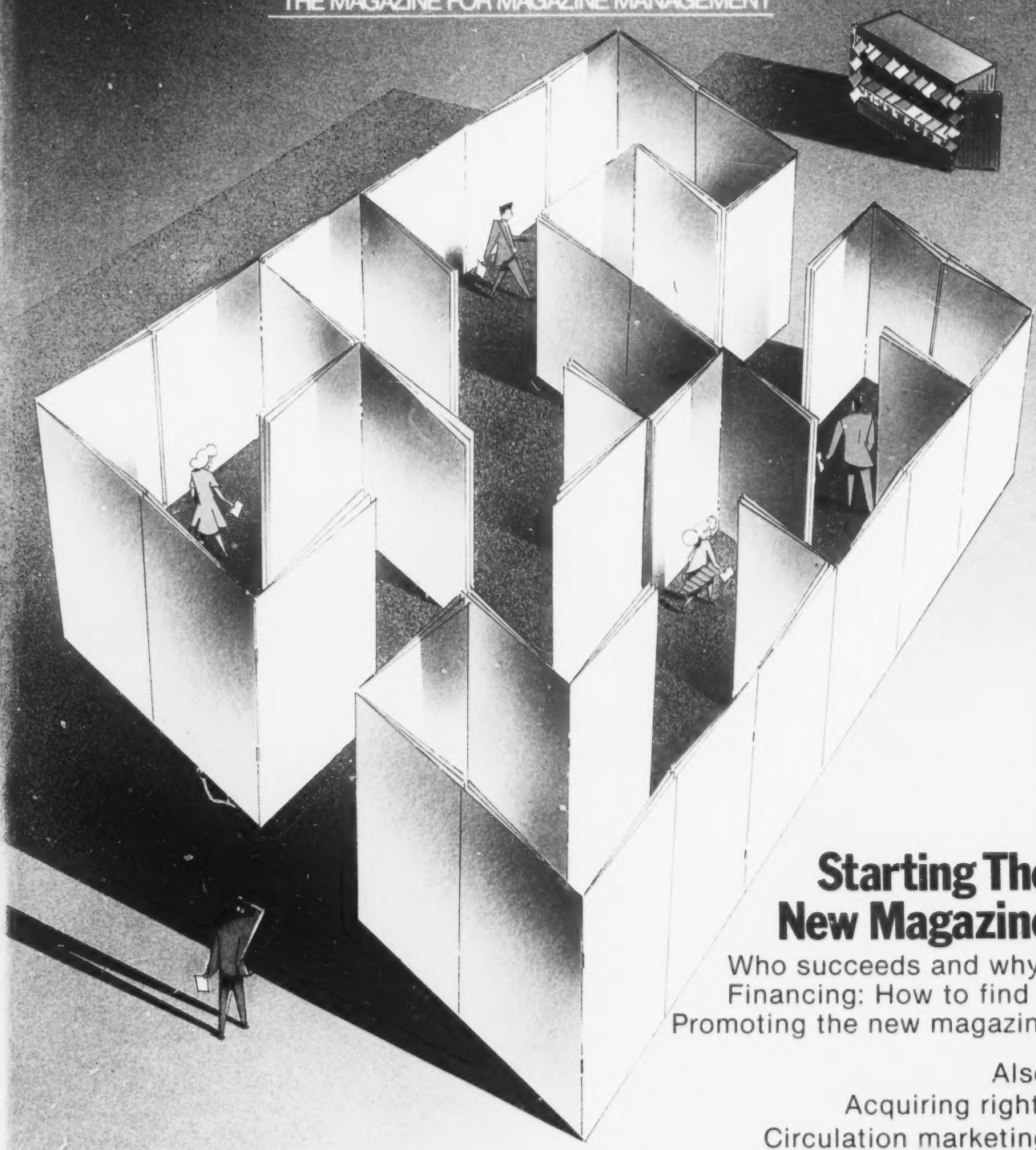
THE MAGAZINE FOR MAGAZINE MANAGEMENT



Starting The New Magazine

Who succeeds and why?
Financing: How to find it
Promoting the new magazine

Also:
Acquiring rights
Circulation marketing: Tuning in to TV

PART ONE OF TWO PARTS

MAY 1984 VOL.13 NO.5

Folio:

THE MAGAZINE FOR MAGAZINE MANAGEMENT

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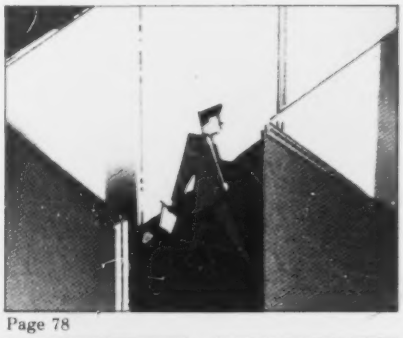

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ILLUSTRATION BY TERRY ALLEN

Circulation/Subscription

USPS decision to route 2nd class mail together sparks confusion, praise

Washington, D.C.—The U.S. Postal Service' somewhat surprise decision March 1 to route ordinary second class publications along with time-valued "newspaper treatment" periodicals in the surface preferential mail network has elicited confusion, praise and some consternation among publishers and printers.

In general, the less-frequent-than-weekly publications (monthlies, biweeklies and others) are pleased with the change because it will result in timelier delivery for them—in some cases by up to a week, according to some publishers. Faster delivery may enable publishers to extend advertising and editorial deadlines.

However, the weekly and daily publications, which up to now have been alone among second class mail in receiving the faster newspaper treatment, are worried that their service will deteriorate.

The USPS has assured mailers that its intent, with this change, is to improve delivery, and that the time-valued publications will not experience slower delivery as a result. And postal regulations, as cited in the March 1 Postal Bulletin, do state that in the hierarchy of the mail system, newspaper treatment second class mail is still above all other second class mail for mail processing and delivery priorities.

In addition, the newspaper treatment publications will still be singled out from other second class mail by two special designations: a pink label marked NEWS, and brown sacks. Other second class mail will carry the designation 2C (also on a pink label) and will be carried in white canvas sacks.

According to the Postal Service, the newspaper treatment periodicals will get priority handling in "exceptional circumstances": times of heavy postal volume or bad weather.

According to one distribution manager, the special designations for newspaper treatment periodicals will mean that the easily recognizable brown bags will get priority handling in cases where a choice for loading or delivery has to be made.

However, overall, the newspaper treatment periodical publishers are worried that their publications will have slower delivery times from being classed with ordinary second class publications, which until now have been slower-routed.

"If you figure there's roughly a four- to five-day delivery nationally now for dailies and weeklies," comments Bishop Nowotnik, distribution manager for Fairchild Publications, "and a 14- to 25-day delivery for monthlies, then the amalgamation of our delivery times will end up with everyone getting eight days. That's a

(Continued on page 25)

67% of consumer magazines gain circ in 2nd half of 1983

Schaumburg, Ill.—Two thirds (67 percent) of consumer magazines offering figures for comparison gained circulation in the second half of 1983 compared with the second half of 1982, according to a FOLIO analysis of an Audit Bureau of Circulations Fas-Fax report. Of the 444 U.S., Canadian and other foreign magazines that reported figures for the two halves, 298 reported circulation increases for the six months ending December 31, 144 reported decreases and two reported no change.

The 298 reporting increases represent 67.5 percent of the total 444. By comparison, 58 percent of reporting magazines showed increases during the second half of 1982 over the same period in 1981.

Consumer magazines and video magazines had some of the biggest circulation increases, just as in 1982's second half.

Compute! had a circulation gain of 247.1 percent, to total paid circulation of 289,048, up from 83,280. *Personal Computing* jumped 106 percent in the last six months of 1983, from 234,820 to 483,690, while *Popular Computing* registered a 67.4 percent total circulation gain, from 170,289 to 285,125. *InfoWorld* had a 56.2 percent total paid circulation increase, going from 58,913 to 92,045. *Nibble* had another outstanding gain, of 52.6 percent, from 43,481 to total paid circulation of 66,364. Other gains in this area came with *Computers & Electronics*, registering a 29.8 percent circulation growth, and *80 Micro*, which grew by 20.6 percent in the second half of 1983 compared with 1982's second half.

In the video magazine sector, *Video* posted a 61.5 percent circulation gain, rising from 160,069 to 258,456. *Video Review* had a 55.1 percent increase, going from 172,783 to 267,931 in total paid circulation.

The biggest drop in circulation was turned in by *House & Garden*, which had a decline of 41.5 percent, to

Top 10 magazines by circulation

Per-issue averages for the six months ending December 31

Publication	Second half 1982	Second half 1983	Percent change
Reader's Digest	17,937,045	17,900,290	0.2%
TV Guide	17,066,126	17,003,698	0.4
National Geographic	10,626,224	10,613,599	0.1
Modern Maturity	9,296,187	8,328,199	11.6
Better Homes & Gardens	8,041,951	8,088,226	—0.6
Family Circle	7,193,079	7,400,984	—2.8
Woman's Day	7,025,290	6,932,355	1.3
McCall's	6,358,293	6,267,469	1.4
Good Housekeeping	5,393,087	5,489,934	—1.8
Ladies' Home Journal	5,252,444	5,134,649	2.3

SOURCE: AUDIT BUREAU OF CIRCULATIONS

585,251 from 1,000,518. Other publications with large circulation decreases included *Horse & Rider*, down 32.1 percent, to 66,808 from 98,325; and *Astronomy*, down 22.7 percent, to 145,581 from 188,308.

The men's entertainment magazines posted a poor half in total paid circulation, with declines from all the major publications. *Playboy* had a 6.5 percent drop in total paid circulation, to 4,209,324 from4,501,324; *Penthouse* had a 7.3 percent decrease, to 3,500,275 from 3,775,016. *Hustler* also registered a decline, of 3.7 percent, to 1,083,744 from 1,125,306. *Playgirl*, for women, was down 4.9 percent, to 641,016 from 674,381.

Women's magazines also turned in lackluster performances in circulation, with a few exceptions. *Vogue* posted a 5.3 percent decline, to 1,142,542 from 1,206,561 total paid circulation. Other titles showing circulation decreases were *Family Circle*, with a 2.8 percent drop, to 7,193,079 from 7,400,984; *Good Housekeeping*, down 1.8 percent, to 5,393,087 from 5,489,934; and *Better Homes & Gardens*, down 0.6 percent, to 8,041,951 from 8,088,226. Other women's titles showed improvements in circulation, with *Cosmopolitan* posting a 3.8 percent gain, to 3,038,400 from 2,926,060 and *Glamour*, up 7.4 percent, to 2,275,743 from 2,119,242. The best performances in this group came from *Savvy* and *Working Mother*, each of which had 18.5 percent increases in total paid circulation, and from *Working Woman*, which posted a 12.8 percent increase.

A couple of other categories of magazines posted strong circulation gains in the second half of 1983. These include teenage magazines: *Super Teen*, up 46.9 percent in total paid circulation; *Young Miss*, up 27.9 percent; *16 Magazine*, up 29.6 percent; *Self*, up 13.6 percent; and *Seventeen*, up 10.9 percent.

Also, health magazines showed a strong second half in circulation. *Shape* had a 78.1 percent increase, while *American Health: Fitness of Body and Mind* had a 45.4 percent gain.

Among business magazines, a few titles showed particular strength. *Inc.* was up by 47.8 percent in total paid circulation. *Venture* rose by 25.5 percent while *Nation's Business* posted a 22.6 percent total paid circulation increase. *Barron's* had a 10.1 percent circulation gain. *Fortune*, however, had only a 2.6 percent increase, and *Forbes* rose by only 1.4 percent in circulation. *Business Week* had a slight decrease in total paid circulation, by 0.3 percent.

Among food magazines, *Connoisseur* posted a whopping 59 percent gain in total paid circulation, while *Food & Wine* had a 42.5 percent gain. *Cuisine* was next, with a 5.7 percent circulation increase, followed by *Bon Appetit*, with a 2.8 percent hike and *Gourmet*, up 2.2 percent.

In the field of science magazines, *Discover* posted a 3 percent increase, while *Science Digest* and *Science 83* each had 2.4 percent circulation declines. *Geo*, however, had an 18.8 percent circulation gain.

Among the shelter magazines, *Country Living* posted the biggest gain, 31.3 percent, while *Town & Country* was up by 13.3 percent and *New Shelter* was up by 4.7 percent.

The three tabloids all had circulation declines: *Globe*, down by 13.5 percent; *National Enquirer*, down by 8.1 percent; and *The Star*, down by 8 percent in total paid circulation.

Time had the best performance of the newsweeklies, with a 3.4 percent increase in total paid circulation, compared with a 0.5 percent increase for *Newsweek* and a 1.6 percent decline for

18 magazines overstate fourth quarter circulation

Magazine	Audit period	Total paid (publisher's statements)	Total paid (audit report)	Difference	Percentage difference
United States					
American Handgunner	12/31/82	102,713	99,833	—2,880	—2.80%
Analog Science Fiction/ Science Fact	12/31/82	101,260	98,692	—2,568	—2.54
Beauty Digest	12/31/82	130,230	121,792	—8,438	—6.48
**Country Gentleman*	6/30/82	144,490	135,079	—9,411	—6.51
Foreign Affairs	12/31/82	82,817	80,808	—2,009	—2.43
**Gentleman's Companion*	12/31/82	87,749	85,449	—2,300	—2.62
Horizon	12/31/82	61,157	57,822	—3,335	—5.45
Inc.	6/30/82	285,584	269,442	—16,142	—5.65
Motocross Action Magazine	12/31/82	108,984	105,824	—3,160	—2.90
Oui	12/31/82	507,311	480,615	—26,696	—5.26
Saturday Evening Post	6/30/82	641,198	583,803	—57,395	—8.95
Simplicity Today (incorporating *Simplicity Home Catalog*)	6/30/82	483,338	429,957	—53,381	—11.04
Texas Business	12/31/82	42,011	41,043	—968	—2.30
True Story	12/31/82	1,561,630	1,512,062	—49,568	—3.17
Western Outdoors	12/31/82	131,005	127,701	—3,304	—2.52
Working Mother	6/30/82	341,568	326,770	—14,798	—4.33
Yachting	12/31/82	142,609	139,755	—2,854	—2.00
Canada					
National Examiner	12/31/82	936,073	909,189	—26,884	—2.87%
United States					
Women in Business	6/30/83	105,859	111,158	+5,299	+5.01%

*RESIGNATION AUDIT

Eighteen magazines, including one from Canada, overestimated their circulations by 2 percent or more during the fourth quarter of 1983, according to an Audit Bureau of Circulations (ABC) report on circulation variations. The report compares ABC magazine audit reports with publishers' statements for the period covered by the audit.

Of the 17 U.S. magazines which showed a 2 percent or greater variation between the publishers' statements and the audit reports, one publication overestimated by more than 10 percent, and six overestimated by more than 5 percent. One publication, *Women in Business*, underestimated its circulation by 5 percent.

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U.S. News & World Report in the last half of 1983.

Isolated titles with strong circulation performance include *American Handgunner*, with a 41.7 percent total paid circulation increase; *Pro Bass*, with a 116.8 percent increase; and *Country*, with a 55.2 percent gain.

In total paid circulation, the ranking of the top 10 consumer magazines remained the same as in 1982's second half. *Reader's Digest* is first, with 17,937,045, followed by *TV Guide* (17,066,126), *National Geographic* (10,626,224), *Modern Maturity* (9,296,187), *Better Homes & Gardens* (8,041,951), *Family Circle* (7,193,079), *Woman's Day* (7,025,290), *McCall's* (6,358,293), *Good Housekeeping* (5,393,087) and *Ladies' Home Journal* (5,252,444).

Canadian government to stop mail subsidies for foreign publications

Ottawa—The Canadian government has decided to end its second class mail subsidies to foreign publications, thus ensuring that most U.S. periodicals mailed in Canada will have to pay higher postal rates, according to a representative from Canada Post Corporation (CPC).

"The government made a policy decision that it would cease to subsidize mailings of U.S. publications in Canada," explains Grant Carter, senior product manager, publications mail, for CPC.

The ending of the subsidy to foreign publications, which is part of the larger, Canadian second class mail category subsidy, is tied to the ending of the government's "fiscal restraint policy," similar to U.S. wage and price controls. When that policy expires, as it is now scheduled to do in July 1985, the subsidy to foreign publications will also end, Carter said. The ending of the subsidy applies to mail that is printed and mailed in Canada, as well as to that which is printed in the United States and trucked into Canada for mailing to Canadian subscribers.

Currently, under the subsidized rates, a U.S. publication mailed in Canada, weighing 180 grams, costs 29 cents to mail. A U.S. magazine printed and mailed in Canada, weighing the same amount, is charged 5.3 cents. Canadian magazines are charged even less.

When the subsidy ends, mailers will have to pay "commercially acceptable rates," Carter says. Originally, the foreign mail was going to be charged third class rates, which are higher than the subsidized second class rates, but some other commercial rate schedule for foreign mail may be designed, according to the CPC representative.

The first step in enacting this Canadian government policy, Carter said, was to close Rate Codes Five and Six to any new applicants. Rate Code Five applies to publishers printing in the United States and trucking magazines across the border for mail in Canada; Rate Code Six is for U.S. publishers printing and mailing in Canada. Until now, Rate Code Six publishers, such as Time Inc., have enjoyed a more highly subsidized rate than publishers who truck their magazines into the country for mailing. There are currently 360 magazines in Rate Code Five and 34 in Rate Code Six, Carter said.

"The decision to phase in commercial postal rates is an appropriate budgetary measure in this period of restraint," says Francis Fox, minister of the Department of Communications in Canada's national government. "It will also make Canada's policy consistent with those of most other countries, whose governments subsidize only the distribution of domestic publications."

The ruling won't have a big impact on most U.S. publishers, agreed several sources, including Carter. "There are relatively few publications that mail directly in Canada," says Bishop Nowotnik, distribution manager for Fairchild Publications. "It has no impact on publishers who mail to Canada from within the United States."

Circulation managers should have final word on database systems

New York City—Circulation managers can avoid problems and save money by insisting that they make the final decision on which database system to buy, says Michael Blake, general manager for circulation services at PennWell Publishing Company.

"Management may want to make a decision that is this important," Blake said at an American Business Press seminar. "But publishers, database people and financial people aren't aware of what's involved with circulation auditing and clerical procedures.

"You can't rely on the recommendations of someone who doesn't have to work with the database system and whose livelihood doesn't depend on it," he said in an interview. "Circulation is a strange business. There are so many things that the audit bureaus and Postal Service throw at you. Only someone who has been involved for a long time will make the correct decisions."

Blake told seminar attendees that they can save money by purchas-

ing an existing database system, rather than designing one themselves. A typical existing system costs between $30,000 and $50,000, while a self-designed system may cost up to $150,000, he said.

"You've got to work around your prejudices," Blake said. "No system will give you everything you want. If you can find a system that has already been written and that will meet three quarters of your needs, then it makes sense to buy it.

"Most magazines don't have people with sufficient experience on staff to design a database system," he said. "They spend a lot of time and money on consultants before they really get on with any work."

Blake said PennWell designed its own system, and that it took nine months to complete the design and four years before the system was totally operational.

Postal rate changes may diminish use of additional entries

New York City—If the new rate proposal now being considered by the Postal Rate Commission goes into effect as currently proposed, magazine publishers may no longer find it to their advantage to use additional entry points to mail their magazines, says William Allen, director of traffic at Hearst Magazines and chairman of the Magazine Publishers Association (MPA) transportation committee.

Under the proposed restructuring of second class rates, the lower-cost appeal of mailing from additional entries will diminish. "I question whether you will want to have additional entries, because you will no longer have the savings that are available now," Allen told circulation managers at an MPA luncheon recently.

Under the current rate system, the further the distance that a magazine must travel, the greater the savings in cost for a publisher to truck the magazine to an additional entry point closer to the point of delivery, rather than to mail from the printing plant's location. Under the new rate structure, the difference in cost between zones is less. "Under the current rate, there is a 16.3-cent savings between Zone 1 and Zone 7. Under the new rate, the savings will drop to 9 cents between these two zones. You'll be better off going to the post office near your plant," Allen explained.

While the non-advertising and advertising charges per pound will be reduced under the new system, the per-piece charge will be increased dramatically. "The per-piece charge is where you're going to get hit. This charge is going up over 50 percent. You're going to pay that charge regardless of whether you mail at the printing plant or near the point of delivery. That charge is not going to change. If you've got a heavy magazine, it won't save you as much to mail from additional entries. You'll give the publication to the post office near the plant where you print it because it's going to be cheaper," Allen reiterated.

Unified database saves circulation department $460,000 in 1983

New York City—Switching the circulation departments of the 11 Chilton industrial magazines to a unified database has done more than make the departments more efficient. It has saved money, too.

Hillel Felder, database manager at the company and circulation manager for a number of its magazines, said the company realized net savings of about $460,000 in 1983 after the 11 magazines went on line early in the year. Previously, the magazines had maintained their own databases, he said.

Felder said that he and other Chilton personnel developed the concept and software for the database and then turned both over to a service bureau to administer. The service bureau owns the system and would

(Continued on page 76)

Presort User's Guide is published

Presort User's Guide, designed to help mailers determine postage savings and qualification percentages when they presort third class mail at the carrier-route or five-digit levels, has been published by Wiland & Associates.

The guide also contains a worksheet that can help mailers compute net savings for regular third class and nonprofit third class mailings.

Presort User's Guide is available free of charge from Wiland & Associates, 1426 Pearl St., Suite 400, Boulder, Colo. 80302.

Red Tag changes

(Continued from page 20)

godsend for the monthlies, but adding three or four days more of delivery time to a daily newspaper could wipe it out."

In addition, Nowotnik said, moving ordinary second class mail into the general mail facilities (GMFs) and out of the bulk mail centers (BMCs), where they have been handled in the past,

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may put a strain on those facilities. "You figure the GMFs are now handling 5.5 billion pounds of mail, and now they'll be handling another 1.7 billion pounds—that's a 30 percent increase. These facilities are old and inadequate to handle the current volume of mail—how will they be able to handle 30 percent more pounds and trucks?"

Nowotnik has notified the publishers of monthlies at Fairchild to expect a delivery time increase of a week as a result of the changes. "But at this stage we don't see how the dailies and weeklies will benefit from this program," he adds.

On the whole, mailers are trying to be optimistic about the changes. "We're pleased for the monthlies, since service for them has been terrible," comments Bill Strong, vice president of circulation for Crain Communications, "but our joy is tempered with apprehension about what will happen to our time-valued publications."

Postmaster General William Bolger told the Mailers' Technical Advisory Committee, according to Strong, that "there won't be any negative impact from this change, and if there is, we'll do something about it." Mailers are going to be closely monitoring the effect of the change on delivery times through the monitoring service of the Red Tag News Publications Association, according to Strong. Most recent delivery reports from Red Tag showed that 49 percent of time-valued publications were not delivered on time during the last half of 1983, whereas 73 percent of ordinary second class publications were delivered late during the last quarter of 1983.

"Red Tag is hoping the program will be a success for everyone concerned," comments Frank Strupeck, general manager, "but we're apprehensive, because delivery standards aren't being met now."

The change in the USPS regulations, which is a service change and thus does not need approval of the Postal Rate Commission, is to be phased in over a nine-month period, which started March 1 and ends January 1, 1985, by which time all second class mail is to be routed through the surface preferential network, enjoyed up to now by newspaper treatment periodicals. The mail must be prepared in accordance with requirements for second class surface preferential mail and properly labeled.

One magazine, *Electronic Design*, which began routing into the surface preferential system with its April 5 issue, has already been able to extend editorial and advertising deadlines by a week as a result of the change.

Other monthly mailers are worried that eventually, because they will

49% of 'time-value' publications delivered late

Publication delivery box score: Weekly 'time-value' publications July-December 1983

Three-digit zip	Market area monitored	On time	One day late	Later
Composite average*		51%	27%	22%
303	Atlanta	55	30	15
787	Austin	65	21	14
212	Baltimore	23	38	39
021	Boston	30	34	36
142	Buffalo	52	31	17
606	Chicago	63	28	9
452	Cincinnati	43	33	24
441	Cleveland	38	38	24
432	Columbus, Ohio	83	13	4
752	Dallas	41	42	17
802	Denver	25	33	42
482	Detroit	64	25	11
495	Grand Rapids	82	14	4
061	Hartford	58	29	13
770	Houston	31	35	34
462	Indianapolis	54	19	27
641	Kansas City, Mo.	69	23	8
900	Los Angeles	54	28	18
381	Memphis	66	21	13
331	Miami	45	34	21
532	Milwaukee	69	20	11
554	Minneapolis	66	23	11
372	Nashville	40	37	23
701	New Orleans	28	37	35
100	New York City	56	30	14
191	Philadelphia	43	31	26
850	Phoenix	61	30	9
152	Pittsburgh	44	36	20
972	Portland, Ore.	39	22	39
895	Reno	44	31	25
631	St. Louis	60	26	14
841	Salt Lake City	20	30	50
921	San Diego	74	17	9
941	San Francisco	61	20	19
981	Seattle	46	20	34
336	Tampa	21	38	41
741	Tulsa	63	24	13
200	Washington, D.C.	51	31	18
672	Wichita	85	13	2

*Including other U.S. cities and SCFs not listed

Data based on experience of 27 weekly business and consumer publications accounting for 2,075,000 copies in the mail each week and predicated on delivery as newspapers. Most publications monitored maintain multiple additional entries and air freight to post office of entry.

During the last six months of 1983, 51 percent of weekly "time-value" publications were delivered on time. This is a lower percentage of on-time delivery than was recorded in the previous two six-month periods. For the first six months of 1983, 53 percent of monitored publications received on-time delivery, whereas during the last six months of 1982, 57 percent of publications had on-time delivery.

Major cities with the best percentage of on-time delivery for the last six months of the year included Wichita (85 percent), Columbus (83 percent) and Grand Rapids (82 percent). Cities with the lowest percentage of on-time delivery were Salt Lake City (20 percent), Tampa (21 percent) and Baltimore (23 percent).

A comparison of the on-time delivery record for the last six months of 1983 with that of the first six months of the year shows that 18 cities had increases in the percentage of publications with on-time delivery, 18 had decreases, and two were unchanged. The two cities with the greatest percentage increases in on-time delivery in the last six months of 1983 compared with the first six months were Indianapolis (54 percent versus 22 percent) and New Orleans (28 percent versus 7 percent). The two cities with the largest declines in percentage of on-time delivery in the last half of 1983 compared with the first half were Tampa (21 percent versus 67 percent) and Reno (44 percent versus 68 percent).

SOURCE: RED TAG NEWS PUBLICATIONS ASSOCIATION, INC.

be receiving better service, they will be charged higher postal rates for second class. On the whole, however, less-frequent-than-weekly publications are viewing the change positively.

And, although not all the wrinkles have yet been ironed out by the Postal Service, the regulation change does clear up some points of contention that have been raised for some time over its treatment of second class. "It answers the challenge of second class mailers that delivery is too slow," explains Nowotnik. "It takes second class mail out of the bulk business mail definition, which was irritating publishers, plus it eliminates the argument that the time-valued publications should be levied a surcharge for their special treatment. Now all these contentions have been leveled in one fell swoop."

(For a look into some of the production difficulties caused by the new regulations, see Production update, page 39 this issue.)

Marketing Watch

A new edition of the second class mail regulations manual is now available from local post offices. The free publication, number 114, is a reprint of Chapter Four of the Domestic Mail Manual. It includes, among other things, instructions for completing the statement of ownership.

A special school plan division for TV Guide has been set up by Triangle Publications Inc. The TV Guide School Plan will assist school and youth organizations in fund raising through the sale of *TV Guide* and other magazines. The plan, which will be in full operation by this fall, is projected to have a first-year sale of 550,000 copies. The division is headed by Charles P. Henson, general manager. Before this appointment, Henson spent 20 years at QSP, Inc., and before that, was field manager of the Curtis School Plan.

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People

Nigel Heaton to vice president for circulation marketing and development, Petersen Publishing Co., from director of circulation and marketing development. Heaton, a former vice president of the Curtis Circulation Co., has been in the magazine circulation industry for 18 years.

Madeline Krakowsky to circulation director, *The National Law Journal*, from circulation manager, *Management Accounting*.

Lawrence Freeman to circulation director, Golf Digest/Tennis, Inc., from circulation manager; **Diana O'Donnell** to circulation manager, from circulation promotion manager.

Thomas P. Walsh to vice president, circulation director, Runner's World Magazine Company, Inc., from circulation director; **Nancy L. Sterling** to subscription manager, from subscription supervisor.

Lynn B. Sheward to circulation new business manager, *Financial World Magazine*, from renewals and billings manager, *Consumer Reports Magazine*.

Sheila B. Friend to circulation director, *Ms.*, from subscription manager, *Newsweek*'s Latin American edition.

Look for special features on circulation marketing strategies in the next issue of Folio:

compared with 87 percent in non-cable households. The measure was the 15-minute period immediately preceding the telephone call; for magazines, it was "yesterday" reading.

MPA will be using the new data in its beefed-up advertising campaign this year, while continuing the umbrella theme developed last year by D'Arcy MacManus & Masius: "Magazines reach people you can't get through ordinary channels."

This year's budget for the campaign is $600,000, up from last year's "normal" spending level of $350,000, according to Marianne Howatson, MPA's senior vice president/marketing development. Actual spending last year, however, was closer to one million dollars, she said, explaining that extra, voluntary money was kicked in by member publications for the launch of the new ad campaign.

Gorog said he believed that the new, aggressive campaign was having an impact, and that he was hopeful MPA members would run the new and improved ads this year on a voluntary basis.

Commenting on the significance of the new findings, Marvin M. Gropp, vice president/research, said that although the four markets used in the study could not be construed as representative of the country, "they gave us representation in four parts of the country, and some indication of what's to come, but not projectable results for the whole country."

Cost of making print ad up 12% after 2-year lull

New York City—The cost of producing a print advertisement rose 12 percent in 1983 compared with 1982, after two years of relative stability, according to the latest survey of advertisers in the New York metropolitan area by Trout & Ries Advertising.

The annual survey, which does not distinguish between magazine and newspaper ads, placed the average cost of producing a one-page black-and-white ad at $3,410, and of a one-page four-color ad at $9,045. Two-page spreads cost $5,065 for black-and-white, and $12,310 for four-color.

In addition, the agency reports that the range of costs became more extreme, with, for example, a one-page four-color ad costing as little as $1,700 or as much as $35,000. And for the first time, the two-color category became too insignificant to warrant tabulation, the agency said.

The costs taken into consideration are those for layout, photography, models, locations, retouching, typesetting, photostats, mechanical assembly, separations, reproduction materials, reprints and agency commissions.

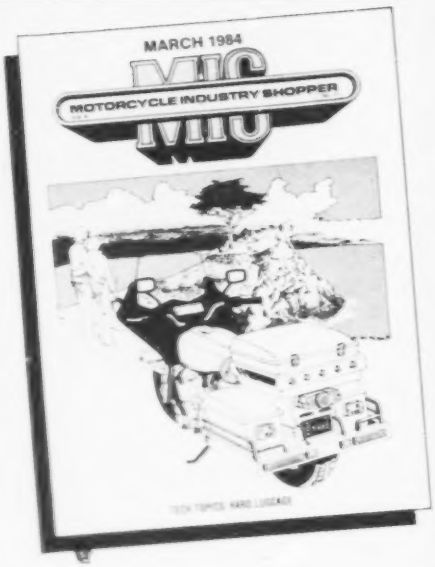
Motorcycle magazine credits ad sales rise to fast editorial close

Thousand Oaks, Calif.—Annual growth in ad pages of 52 percent and 32 percent for *Motorcycle Industry Shopper* over the last two years has been the result of commitment to news and fast closings, according to publisher Rick Campbell.

Campbell has stayed with the basic newsprint and a Norbrite ("classier newsprint") cover since the monthly magazine's inception as a "penny-saver type" to facilitate a closing date three weeks later than his competitors' six-week lead time. And he is convinced that the late closing has been the key in vaulting his four-year-old magazine into serious contention with its older rivals, *Motorcycle Dealernews* and *Motorcycle Product News*.

The numbers are certainly impressive: 223.36 ad pages in 1981, 471.70 in 1982, and 690.98 in 1983. One hundred of those pages last year were four-color on glossy stock, included in preprinted insert sections, which vary in size from as few as eight pages in July and August to 32 pages in the heavy months from February through May.

Campbell also stated that *Motorcycle Industry Shopper* was the first in its field to introduce a letters to the editor column and to offer a three-time ad rate. He acknowledged that his ad rates have remained lower than those of his two chief competitors, though all three have roughly the same controlled circulation of about 13,000. Ad revenue was just under $500,000 last year, and he is looking to more than $600,000 in 1984.



Printing on newsprint helps *Motorcycle Industry Shopper* close later, attract more 4-c inserts.

And in addition to cutting costs by using newsprint, he saves on overhead—"It's a tight ship, with just 900 square feet, four full-time employees and a pasteup guy one week a month."

'Know your prospect, know your product,' new salespeople told

New York City—"Know your prospect, know your product" was a recurring theme of advice given to young magazine salespeople by an industry "faculty" at a two-day workshop on "Effective Selling," sponsored by the Magazine Publishers Association.

William S. Campbell, vice president, circulation director of Hearst Magazines, and magazine director of the Audit Bureau of Circulations (ABC), set the tone in the classroom-like atmosphere at the Summit Hotel, saying that there are "three keys to richness" in the profession of selling advertising space in magazines. "And one of them is a secret."

The first one, he said, is to know the advertising prospect and his or her

Print production cost survey
February 1984

	1979	1980	1981	1982	1983
One-page black-and-white	$3,195	$2,685	$2,830	$3,045	$3,410
One-page two-color	5,085	3,965	3,500	3,595	—*
One-page four-color	7,715	7,950	7,740	8,010	9,045
Two-page black-and-white spread	5,480	4,240	5,180	4,990	5,065
Two-page two-color spread	5,620	4,615	4,520	5,050	—*
Two-page four-color spread	10,175	11,125	10,950	10,635	12,310

*Insufficient number of responses.

SOURCE: TROUT & RIES ADVERTISING, INC.

Production

Severe paper shortage worrying publishers and driving prices up

New York City—The worst paper shortage in at least five years is making it difficult for magazine publishers and printers to get the paper they need at the price they want.

"We're having trouble getting paper," says an executive for a large magazine publisher. "I understand they're fighting at the mills over five tons of paper."

"There are some people who can't get the paper they want," adds a paper company executive. "But we couldn't take care of their needs without taking paper away from somebody else."

The shortage and the accompanying price spiral are expected to last until the economy falters or until new paper machines are constructed, sources said.

"The long-term outlook is that paper will be very hard to get unless there is a significant economic downturn," says an executive at McGraw-Hill.

No new coated groundwood machines are currently being constructed, although improvements in existing machines will boost capacity slightly. Announcements of new machines, however, should be forthcoming, according to paper company executives. "I'm fairly sure that some mills will announce new machines in six months," says Dean Hayden, district sales representative of Boise Cascade. "But it takes about three years to get a new machine. If demand holds where it is, we could be looking at a tight market until then."

Many magazine and paper company executives believe that the shortage will get worse before it gets better. Productivity at the mills may decline, and demand for paper is expected to grow in the next several years, they said.

The mills are currently running at 96 percent capacity, as close to 100 percent as they usually get. But mechanical problems and employee strikes that may result from difficult contract negotiations at several Canadian mills could cut production this year, sources said.

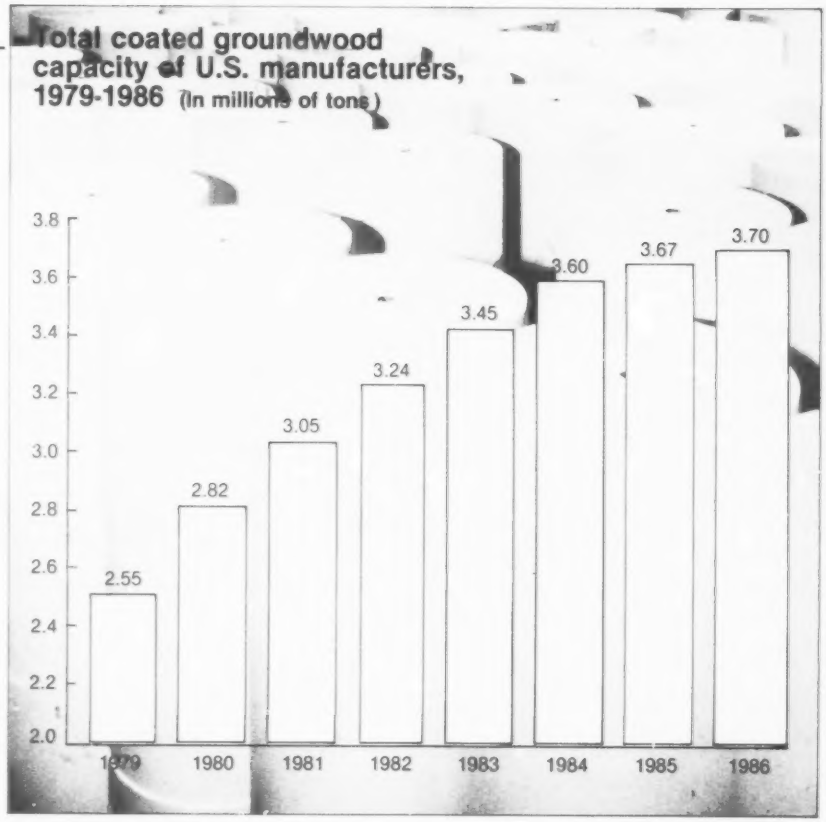
In addition, they predicted that heavy catalog printing during the summer months will increase short-term demand for coated number 5 paper, and continued growth of magazine advertising pages will boost long-term demand.

Ad pages rose by 9.4 percent in 1983 and are expected to climb by about the same amount in 1984. Correspondingly, shipments of paper to magazines increased by 14.9 percent last year, and orders are expected to increase by an even greater percentage this year, according to the American Paper Institute (API).

Paper prices, which have increased by about 12 percent to 14 percent since October, will probably go up by at least that amount in the next year, magazine and paper company executives predicted.

Most mills eliminated their discounts during the fourth quarter of 1983, raising prices on coated groundwood an average of 7 percent. Many instituted similar price hikes during the first three months of this year.

Experts contacted by FOLIO said they do not anticipate price increases during the second quarter of this year, but they said prices will start to climb during the third quarter. "Prices will



The coated groundwood capacity of U.S. paper manufacturers increased substantially between 1979 and 1983, as many new paper machines were built. Forecasts of slight increases in capacity between 1984 and 1986 reflect plans to make existing machines more efficient. No new machines are currently under construction, and the soonest a new machine could be operational is 1987.

go up significantly," predicts a general manager at a large magazine publisher. "We may see increases of 12 percent to 15 percent during the next year."

Gertrud Borchardt, director of manufacturing for Times Mirror Magazines, Inc., said she expects to exceed her paper budget by at least 10 percent this year.

But it is supply, not price, that is on most people's minds these days. "It's very precarious right now," says Charles Powers, general sales manager for the Blandin Paper Company. "It's worse because most magazines don't have inventories."

"All coated paper from the top of the line to the bottom of the line is on allotment at most mills," says Edward Barral of Gould Paper, a paper merchant. "We're selling whatever we can, plus whatever we can 'steal.' "

"I understand that a lot of small magazines can't get the paper they need," says Norman Reynolds, paper buyer for Conde Nast.

Reynolds and other executives at major publishing companies said that, so far, they have been able to obtain adequate supplies. But paper deliveries frequently are late, they said. "Our deliveries are running three to four weeks behind," says Reynolds. "All mills are falling further behind."

Hayden of Boise Cascade said that, as of mid-March, his firm had not yet started filling March orders. Other companies have actually cancelled deliveries for certain months, he said, and still others have instituted across-the-board reductions in deliveries of up to 15 percent.

To make up for shortages, many magazines are buying foreign papers or using alternative paper grades, such as super calender or uncoated groundwood. "There's a lot of substitution going on," says a McGraw-Hill executive.

Borchardt of Times Mirror said her company is paying a 32 percent premium on imported paper and that she has started to use heavier domestic paper when it is available. "Thirty-two to 34 pounds is the toughest to get," she says. "We've gone to higher weights, but even that is getting tight."

The paper shortage has not caused Times Mirror to reduce the number of pages in its magazines, Borchardt said. But, she said, in "borderline cases" four-page forms will not be added to a magazine as they would be in normal times.

Experts told FOLIO that the current paper shortage is worse than ones in previous years because there are more causes for it. The economy, though, remains the chief culprit. "We've had three periods in the last 15 years when we had a sharp upturn in the economy," says James Hutchison, vice president of API. "Each time, the paper market got tight."

Hutchison said efforts by some publishers and printers to restock depleted inventories is also contributing to the shortfall. "I believe there has been some coated paper going into inventory," he says. "Publishers and printers want a proper balance."

In addition, an increasing percentage of coated paper is being used by catalog publishers and commercial printers, the API executive said. "Total usage of coated paper is not as directly linked to the magazine industry as it was 10 years ago," he says.

USPS change means palletizing is out for smaller publications

Washington, D.C.—The service change announced by the U.S. Postal Service routing all second class mail through the surface preferential network, according it all the "time-valued" treatment that weekly magazines have enjoyed in the past, means that fewer publications will be able to palletize, according to printers and mailers.

Before the change, ordinary second class publications were routed through bulk mail centers (BMCs), of which there are 21. Consequently, printers who handled several different small-size magazines could commingle different magazines on pallets going to those 21 BMCs, explained Frank Strupeck, general manager of Red Tag News Publications Association.

Now those same publications must all be routed, as of January 1, 1985, through sectional center facilities (SCFs) instead. Since there are more than 500 of them, many printers cannot accommodate pallets going to all of those destinations, Strupeck explained. "Only large publications will have sufficient magazines going to a single SCF to make up the required 650 pounds per pallet," he said.

"Fewer publications will be able to palletize as a result of this rule change," agreed Bishop Nowotnik, distribution manager of Fairchild Publications. "As a result, some smaller circulation publications will never be able to palletize."

"At two of six plants, we have been doing a lot of palletizing," says Milt Rusch, manager of corporate transportation services for Krueger, "but with the elimination of BMC pallets, we won't be able to palletize—we won't be able to make up the SCF pallets.

"The palletizing system was excellent in cost and service efficiency—this is a giant step backwards," Rusch stated.

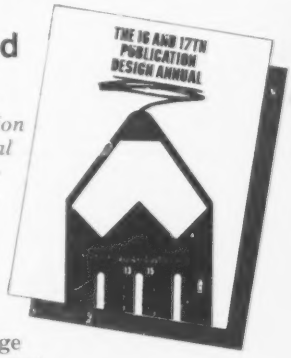
The inability to palletize will mean that publications will have to be sacked again, Rusch added. "We've told our local postal service we're going to need truckloads of bags—but they're not sure they can provide them."

Indeed, said Jim Jellison, senior assistant postmaster general for operations for the USPS, palletizing to BMCs is a benefit that is lost with the new service change. However, he noted, the Postal Service is considering allowing mailers to palletize to the 57 state distribution centers (SDCs).

Some printers are trying to be more optimistic about the changes. "The Postmaster General said, 'We're going to give you better service,' " says Bill Parry, corporate traffic manager for Judd's Inc. "And we're going to work with them on this project." Parry said the elimination of BMC pallets could be a good thing. "The BMCs weren't designed to handle all those shrink-wrapped bundles, and sometimes there was actually more damage as a result of palletizing," he says.

"We're at the beginning of a learning curve here—we're going to have to go forward and get what we can out of it. We've got to give the Postal Service a chance—I think this is going to work," Parry concludes.

Book of best designs published



The 16th and 17th Publication Design Annual has been published by The Society of Publication Designers, Inc.

Presented in this 336-page book are the 701 winning designs chosen from more than 5,000 entries in The Society for Publication Designers' international competition for the years 1981 and 1982. They have received the society's Gold and Silver Awards of Excellence as well as Awards of Distinctive Merit, the highest awards for creativity in the design industry. The book is arranged according to the following categories: total unit design, overall;

Circulation/Single-copy

55% of magazines report single-copy sales declines

Schaumburg, Ill.—More than half of the U.S. consumer magazines reporting single-copy sales figures for the second half of 1983 showed declines from 1982 second half sales, according to a FOLIO analysis of an Audit Bureau of Circulations Fas-Fax report.

The same percentage of magazines, 55 percent, reported decreases in average single-copy sales between the second half of 1983 and the second half of 1982 as between the first half of 1983 and the first half of 1982.

Of the 364 U.S. consumer magazines providing figures for both second halves, 54.6 percent (199) reported single-copy declines, while 45 percent reported increases. One magazine had no change.

The men's entertainment magazines, with one exception, reported declines: *Cheri* (-12.7 percent), *Penthouse* (-6.9 percent), *Playboy* (-6.5 percent) and *Hustler* (-3.6 percent). Only *Gallery* showed a slight increase (1.3 percent). *Playgirl*, for women, had a decline of 2.8 percent.

Among the women's magazines, about equal numbers showed gains as showed losses in single-copy sales. *Ladies' Home Journal* posted the greatest increase (11 percent), followed by *Glamour* (9.2 percent), *McCall's* (3.4 percent), *Working Woman* (3.6 percent) and *Cosmopolitan* (1.7 percent). The largest decrease was turned in by *Working Mother* (-28.8 percent), followed by *Ms.* (-28.7 percent) and *Savvy* (-15 percent). Drops were also posted by *Better Homes & Gardens* (-7.1 percent), *Family Circle* (-3.9 percent) and *Redbook* (-2.4 percent).

Teenage magazines had a somewhat better showing, with *Self* up 18.1 percent, *Super Teen* up 46.9 percent and *16 Magazine* up by 30 percent. Both *Seventeen* (-10.4 percent) and *Young Miss* (-18.5 percent) had declines, however.

Among food magazines, only *Food & Wine* posted an increase (48.6 percent). *Gourmet* dropped by 14.3 percent, *Bon Appetit* was down by 11 percent and *Cuisine* by 6.4 percent. *Connoisseur*, a food and lifestyle magazine, posted an increase of 18.3 percent.

Most of the business magazines had a good half in single-copy sales, with the exception of *Business Week*. *Forbes* was up by 26.6 percent, *Barron's* by 14 percent and *Fortune* by 8.2 percent. *Business Week* had a 4.1 percent drop in single-copy sales between the last half of 1982 and the last half of 1983.

In the science magazine category, *Science Digest* posted an 11.5 percent single-copy sales drop between the two halves, *Discover* had a 7.3 percent sales decline, while *Science 83* was up slightly, by 1.3 percent.

Among the newsweeklies, both *Time* and *Newsweek* posted single-copy sales decreases, *Time* down by 8.1 percent and *Newsweek* down by 7.9 percent. *U.S News & World Report* had a slight increase, however, of 0.6 percent.

As always these days, the computer magazines stole the show in single-copy sales increases. *Compute!* was up by 236 percent, followed by *Nibble* (81.2 percent), *Popular Computing* (79.2) and *Byte* (55.1 percent). *Microcomputing* also posted a gain (45.7 percent) as did *Personal Computing* (37 percent) and *InfoWorld* (33.1 percent).

City magazines had a mixed bag of increases and decreases. *Houston* was down by 39.8 percent, *D Magazine* was down by 5.8 percent and *Boston* dropped by 4.7 percent. However, *Phoenix* had a 127 percent gain and *San Francisco* posted a 54.5 percent single-copy sales increase. *Chicago* also had a gain of 14.7 percent, and *St. Louis* was up slightly, by 4.2 percent, as was *San Diego*, by 1.1 percent.

All three tabloids posted circulation declines: *National Enquirer* (-8.5 percent), *Globe* (-14 percent) and *The Star* (-8.4 percent).

The top 10 magazines in total single-copy sales were roughly the same as in previous halves. *TV Guide* came in first, with 8,803,080, followed by *Family Circle* (7,045,962), *Woman's Day* (6,971,073), *National Enquirer* (4,239,113), Conde Nast Package (3,940,028), *The Star* (3,531,512), *Penthouse* (3,308,274), *Cosmopolitan* (2,803,578), *Good Housekeeping* (1,991,770) and *Playboy* (1,895,098).

10 leading magazines by single-copy sales
(averages for six months ending December 31, 1983)

Rank	Magazine	Single-copy sales 2nd half 1983	Single-copy sales 2nd half 1982	Percent change
1	*TV Guide*	8,803,080	9,078,698	−3.0%
2	*Family Circle*	7,045,962	7,334,686	−3.9
3	*Woman's Day*	6,971,073	6,882,863	1.3
4	*National Enquirer*	4,239,113	4,634,859	−8.5
5	Conde Nast Package*	3,940,028	4,069,207	−3.2
6	*The Star*	3,531,512	3,855,723	−8.4
7	*Penthouse*	3,308,274	3,554,676	−6.9
8	*Cosmopolitan*	2,803,578	2,757,345	1.7
9	*Good Housekeeping*	1,991,770	1,986,737	0.3
10	*Playboy*	1,895,098	2,026,541	−6.5

*Composed of *Vogue, House & Garden, Glamour, Mademoiselle, Bride's* and *Self*.

SOURCE: AUDIT BUREAU OF CIRCULATIONS

Two distributors expanding direct specialty sales efforts

Philadelphia—The Curtis Circulation Company and Warner Publisher Services are quickly expanding into what has been unfamiliar territory for independent distributors: direct distribution of magazines to specialty stores.

Curtis has had a small specialty sales division for more than five years, but has begun to expand it in recent months, and Warner has just started to service specialty accounts. Curtis distributes magazines directly to more

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About the Seminar Leaders:

Ronald T. Scott is an independent single-copy sales consultant and Robert A. Maas is president of AstroMedia Corporation and publisher of *Astronomy*.

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than 10,000 retail stores (and through independent jobbers to thousands of other stores). Warner directly services a few hundred retailers.

Dale Strzeleck, director of specialty sales research for Curtis, and Henry Kazer, director of retail sales for Warner, said that distributors, unlike wholesalers, are well-suited to handle specialty sales. Economies of scale, resulting from servicing a large number of accounts nationwide, will make it possible for the distributors to make a profit eventually on specialty sales, they said.

Most wholesalers have shied away from handling specialty accounts, claiming that they cannot make money delivering a few magazines to many stores.

Warner's Kazer explains: "It just makes more sense to do it this way. It's a much more efficient distribution method. One of wholesalers' limits is that most of them have unions and high delivery costs. Our deliveries are handled directly by United Parcel Service (UPS). We don't have to get involved with the union problem."

Under the Curtis and Warner programs, the percentage of a magazine's sale price received by retailers and publishers is about the same as it is under conventional distribution methods. Retailers receive no RDA from Curtis and Warner, but get a 30 percent margin, which is 10 percentage points higher than the amount that magazine retailers normally receive.

Both distributors take a larger percentage of the sale price of the magazines they distribute directly because "the costs are different and higher," says Kazer.

Kazer and Strzeleck said they are aggressively marketing their direct distribution services to retail stores. Both said their primary targets are large chains. "Ideally, we want to take on a chain of, let's say, 40 stores," Strzeleck says. "Then we will have a large volume, will send just one bill to the chain's headquarters, and will ship the magazines to its warehouse; the chain will then distribute the magazines to the stores."

Strzeleck said Curtis' marketing effort is directed at a different category of retail stores during each quarter of the year. During the first quarter of 1984, for instance, the emphasis was on computer stores; during the second quarter it is on sporting goods, toy and hobby stores, he said.

The stores are contacted by direct mail or telemarketing, Strzeleck explained. Nine marketing representatives work part-time to identify prospective participants and solicit the stores, he said.

Warner's marketing effort "is still in the early stages of development," Kazer says. A sales staff will eventually be hired, he added.

Both executives said they are aware that their specialty sales efforts may alienate wholesalers. "If a wholesaler were to call me up and say, 'We would like to service one of the accounts you're servicing,' I would turn the account over to him," Strzeleck says. "The accounts that they can't reach are the ones we're looking for."

Kazer said he's "not out to step on any wholesalers' toes." But, he said, he would not relinquish an account to a wholesaler. "If we're already servicing an account, I don't see any reason why we would give it up to them."

38% of supermarkets plan increases in space for magazines

New York City—More than 38 percent of the traditional supermarkets in the United States plan to increase space for magazine displays in the future, according to a survey sponsored by the Food Marketing Institute and International Circulation Distributors (ICD), a division of the Hearst Corporation.

The survey of 60 companies, which operate 8,230 food stores, also found that 20 percent of the combination stores (supermarkets and pharmacies), 17 percent of the warehouse stores and 11 percent of the superstores plan to give more space to magazines.

Willard Bishop, a supermarket consultant who conducted the survey, said less magazine expansion will take place in those stores because they have already committed substantial display space to magazines.

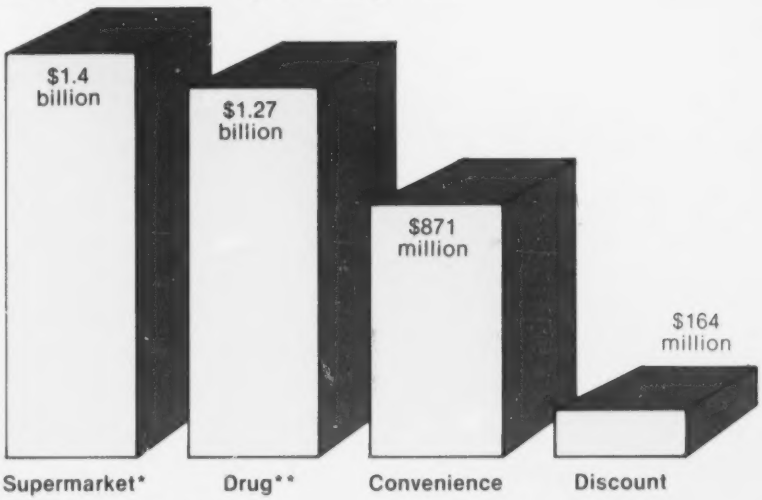
But growth in traditional supermarkets is most important to magazine publishers, he said, because the 4,000 conventional stores in the United States represent 75 percent of all the supermarkets, and they traditionally have been reluctant to expand magazine displays.

"Traditional supermarkets have historically sold most of their magazines off check-out displays," Bishop says. "Now they're seeing the potential for reading centers. Magazines are a higher priority than they were several years ago."

The survey also found that more stores in all categories plan to increase display space for books than plan to increase space for magazines. All store categories, except traditional supermarkets, plan large increases in space for videotapes and movies, according to the survey.

Mitchell Halka, vice president/director of trade relations for

Estimated total sales volume for publications[1] by industry, 1982



[1]Includes magazines and books.
*Source: *Chain Store Age*, July 1983.
**Source: *Publisher's Weekly* and Periodicals Institute, combined estimates for sales of paperback books and magazines.

REPRINTED FROM *MARKETING DIMENSIONS*, AN ICD/HEARST PUBLICATION.

ICD, said ICD helped fund the survey because it is important for magazine publishers and distributors to know how magazines fit into the plans of supermarket executives.

"It is very important for us to know where the supermarket industry is going with regard to all general merchandise products," he says. "How we stack up to greeting cards or glassware in terms of profit is very important to the amount of space magazines get."

Magazines were mentioned infrequently in the survey when respondents were asked to name the most profitable general merchandise items and those that are the easiest and the hardest to manage.

But, overall, the survey contained good news for magazines, Halka said. "Non-food products are becoming more of a factor in producing profits for supermarkets," he says. "Magazines are a part of that. The mark-up on a can of peas is much lower than on a magazine."

Discount stores: An untapped market for magazine sales

New Canaan, Conn.—An opportunity for increased sales—discount stores—is being overlooked by retailers, wholesalers and publishers.

The typical magazine reader is a 37-year-old married homeowner with a high school diploma and a household income 15 percent above the national average of $20,000 a year, according to demographic research compiled by the Magazine Publishers Association (MPA).

Demographic studies also reveal that 61 percent of discount shoppers are married, 93 percent are high school graduates, 29 percent are between 35 and 54 years old and more than 50 percent earn more than $20,000 a year.

Despite the fact, shown by these statistics, that discount shoppers may be prime buyers of magazines, magazines are not being sold in most discount stores.

Of the $619 that the average household spends each year for general merchandise in discount stores, only 93 cents goes toward the purchase of magazines. And magazines represent only 0.46 percent of the total dollar volume of the 8,690 discount stores nationwide, which do $56.6 billion in annual sales.

According to a survey conducted by *The Discount Merchandiser*, less than 20 percent of discount stores merchandise publications (magazines and paperback books) via Family Reading Centers.

Lack of communication and cooperation on the part of wholesalers and discounters is a main reason for lagging magazine sales in discount stores. *The Discount Merchandiser* survey indicated that wholesalers and discounters blame each other for low publication sales, with discounters claiming that wholesalers should service racks and wholesalers wanting discounters to take responsibility for servicing magazine racks.

Other reasons for the low sales

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rates of magazines in discount stores concern marketing and placement problems. According to International Circulation Distributors' (ICD) *Marketing Dimensions* (a consumer marketing newsletter published by ICD/The Hearst Corporation for publishers, wholesalers and retailers), discount stores that do stock magazines offer little variety. Furthermore, these stores merchandise them near the front end of the store as often as on mainline racks. Supermarkets and drug stores are more likely to display magazines both at check-out points and on mainline racks. Supermarkets and drug stores account for 35 and 31 percent respectively of total periodical sales, whereas discounters account for less than 7 percent of total periodical sales, the newsletter added.

Despite these problems, the untapped potential of discount stores as a market for magazine sales is immense. "Publishers and wholesalers have overlooked one of the major retailing forces in the general merchandise industry—the discounters," the newsletter asserts. "These large retail outlets have solid potential for the publications business, provided that wholesalers, publishers and national distributors understand discounter dynamics and, in turn, discounters realize how much magazines and books can contribute to total store profitability."

As evidence of the potential of discount stores for increasing magazine and book sales, *Marketing Dimensions* discussed the performance of one 30-unit discount chain, which offers shoppers 150 magazine titles in 16 linear feet and 896 paperback pockets in 51 feet. This chain had annual publication sales of $337,428 per store, "about ten times the volume of the publications department for the typical discount store," according to the newsletter.

"Compare this figure with annual per-store sales of $383,000 for photo/camera, $210,000 for paint, $198,000 for electric housewares and $334,000 for personal care appliances," the newsletter continues, "and it becomes clear that given the proper conditions, publications can meet and even surpass some traditional discounter departments at their own retailing game."

As ways to improve the marketing of magazines in discount stores in the future, the newsletter suggested that one staff member in each discount store be charged with the responsibility for the publications department; that more space and better locations, both at check-outs and on mainline racks, be given to magazines; that wholesalers pay more attention to in-store merchandising, including cross-merchandising between categories of magazines and store departments (for example, selling electronics magazines in consumer electronics departments); and finally, that wholesalers and discounters communicate better and cooperate more closely in the handling of magazines.

Top 10 bestsellers in college stores

1 *Cosmopolitan*
2 *Playboy*
3 *People*
4 *Penthouse*
5 *Time*
6 *Glamour*
7 *Newsweek*
8 *TV Guide*
9 *Vogue*
10 *Mademoiselle*

SOURCE: *COLLEGE STORE EXECUTIVE*

College store market for magazines growing, survey indicates

Westbury, N.Y.—With more college bookstores stocking magazines this year than last year, the market for magazines on college campuses appears to be expanding, according to *College Store Executive*'s 1984 survey of college store managers. The annual survey also indicated that women's and computer magazines are increasing in popularity.

"Although it would be futile to try to determine the typical college magazine reader, one thing is for certain," declares Stephanie Wood, managing editor of *College Store Executive*. "The market for magazines in the college store is on the rise. Our sixth annual survey proved this beyond a shadow of a doubt." In this year's survey, a total of 980 questionnaires were randomly mailed to college stores throughout the United States and Canada. Results were determined from a 14 percent response.

The survey revealed that the following magazines are, in order, the 10 bestselling magazines in the college bookstore market: *Cosmopolitan, Playboy, People, Penthouse, Time, Glamour, Newsweek, TV Guide, Vogue* and *Mademoiselle*. "This is basically the same top 10 list as last year, with the exception of a few titles that have switched places," Wood observes.

This year, *Cosmopolitan* edged out *Playboy* for the number one spot, and, in general, women's magazines are increasing in readership on campus, according to the survey. More college store managers are offering women's lifestyle publications for sale—of the 14 women's magazines in the survey, 10 showed sales increases.

The increased purchase of computer magazines by college students is another new trend on campus. Twelve of the 19 computer titles listed in the 1984 survey were not on last year's lists. College bookstore managers report they are receiving requests for computer titles they don't even carry, and the computer publications they do stock sell out "as soon as they hit the racks."

Personal Computing and *Popular Computing* are the two computer magazines most often carried by college stores, the survey disclosed. "The computer is being widely used in colleges. It's part of college life. Students and faculty are discovering that current periodicals are the most reliable sources for up-to-date information in the computer field. So, sales of computer magazines were bound to rise," Wood explains.

According to the survey, the magazines carried this year by the greatest percentage of college bookstores are, in order: *Cosmopolitan* and *Time* (90 percent), *Glamour* (89 percent), *People* (85 percent), *Omni* (84 percent), *Newsweek* (82 percent), *Sports Illustrated* and *Vogue* (81 percent), *Psychology Today* and *U.S. News and World Report* (76 percent), *Rolling Stone* (74 percent), *Life* (72 percent) and *Gentlemen's Quarterly* (71 percent).

Finally, the survey found that 93 percent of all the stores surveyed offer discount magazine subscription promotion cards to students.

People

Marcia Orovitz to director, newsstand circulation, Penthouse International, Ltd., from director of circulation promotion and planning.

John Grey to single-copy sales manager, Peterson Publishing.

Chris Little to senior vice president/director of administration, *Newsweek*.

Susan L. Buckley to director of personnel, Chilton Company, from manager, Fair Employment Practices, ABC, Inc.

Dean J. Kilpatrick to executive vice president and chief operating officer, Titsch Communications, Inc. **Michael McCready** to publishing vice president.